REMARKS

Claims 1-77 are pending in this application. Claims 1-77 are currently pending in this application. Claims 1-3, 19-21, 36-39, 54-58, 65-69 and 74-77 are independent, a for total of 24 independent claims. Claims 5-77 are new. The Specification has been amended to update the filing dates of the related co-pending applications. No new matter has been added by way of this amendment. Applicants respectfully request reconsideration in view of the above amendments and the following remarks.

Claim Rejections – 35 U.S.C. § 101

The Office Action indicates that claims 1-4 have been rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Applicants respectfully submit that the amendments to independent claims 1-3 address this issue. Specifically, the term "electronic record" has been added to further clarify aspects of the invention within the technological arts. Accordingly, Applicants request withdrawal of this ground of rejection.

Claim Rejections – 35 U.S.C. § 103

The Office Action indicates that claims 1-4 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Joao (U.S. Pat. No. 6,347,302), in view of Bell, et al. (U.S. Pat. No. 6,304,606). However, the Office Action does not address claims 2-4 with regard to the Bell patent. Applicants contacted the Examiner by telephone to clarify the relationship between the rejections, the claims and the cited references. The Examiner indicated that only claim 1 was

rejected under 35 U.S.C. § 103(a) as being unpatentable over Joao, in view of Bell. Claims 2-3 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Joao, in view of Ryan (U.S. Pat. No. 6,304,859). Claim 4 is rejected only in view of Joao. Applicants respectfully traverse the rejections and request reconsideration in view of the following remarks.

1. Claim 1

Independent claim 1 recites, *inter alia*, "identifying a lease on an item that corresponds to an electronically stored record, the lease having an approaching expiration date; identifying a customer corresponding to the lease; and offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date....." Applicants respectfully submit that neither Joao nor Bell, taken either alone or in combination, teaches or suggests offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date.

The Office Action concedes, "Joao does not explicitly disclose a method for encouraging the purchase or releasing of an item after an expiration of a lease, and offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date. (See, Office Action, page 4.)

Similarly, the Bell patent does not teach or suggest anything that would remedy the deficiency discussed above with regard to Joao. Specifically, Bell teaches, "After a customer has entered an on-line order with the merchant, and the merchant has processed the order, typically the merchant will display to the customer a page indicating that the customer's order has been successfully processed...." (See, Col. 2, lines 49-53). Once the order has been processed, Bell teaches, "According to a preferred embodiment of the invention a banner ad 22 is placed on the order confirmation page. The banner ad will offer the customer a loyalty benefit."

(See, Col. 2, lines 56-58). Regarding the "loyalty benefit," Bell teaches, "These products would be offered either as a special benefit to the merchant's customer available at bargain prices, or as a free or "thank you" benefit to the loyal customer of the merchant's web site." (See, Col. 3, lines14-18). Applicants respectfully submit that Bell's "thank you benefit" presented to the customer on the order confirmation page, after the order is processed is patentably distinct from offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date, as recited in independent claim 1.

In contrast to both Joao and Bell, independent claim 1 recites, "offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date...." Applicants respectfully submit that neither Joao, who is silent in this regard, nor Bell's "thank you benefit", teach or suggest offering the customer a paid insurance policy in exchange for purchasing or re-leasing the item after the expiration date. For at least this reason, Applicants submit that the independent claim 1 is patentably distinct from both Joao and Bell, either alone or in combination. Therefore, Applicants respectfully request withdrawal of this ground of rejection.

2. Claim 2

Independent claim 2 recites, *inter alia*, "if the customer purchases or re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy." Applicants respectfully submit that neither Joao nor Ryan teach or suggest paying the calculated insurance premium on behalf of the customer, if the customer purchases or re-leases the item.

The Office Action concedes, "Joao does not explicitly disclose calculating a difference between an actual residual value and a projected residual value of the item; and if the customer purchases or re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy." (See, Office Action, page 5, paragraphs 2-3.)

The Ryan patent does not remedy this deficiency. Specifically, the Ryan patent teaches, "the computer system and method of the present invention determines the optimum life insurance premium structure necessary to produce a policy cash value which will allow the insured to achieve financial security at retirement while providing a sufficient level of life insurance protection during employment." (See, Col. 5, lines 9-13). In Ryan, the system, "determine[s] the optimal premium for a life insurance policy purchased with a portion of money provided by an employee and the remainder by a loan secured by the insurance policy's cash value. (See, Col. 5, lines 32-35). The system disclosed in the Ryan patent also, "monitors the actual current cash value of each insurance policy to ensure that it is sufficient to serve as collateral on the loan that was used to fund part of the premium for the insurance policy." (See, col. 6, lines 41-45). However, the Ryan patent does not teach or suggest paying the insurance premium on behalf of the customer for the term of the insurance policy, if the customer purchases or re-leases an item at the expiration of a lease.

In direct contrast, independent claim 2 recites, *inter alia*, "if the customer purchases or re-leases the item at the expiration of the lease, paying the insurance premium on behalf of the customer for the term of the insurance policy." Applicants submit that both Joao, who is silent in this regard and Ryan's system for calculating a premium for an employee's life

insurance policy paid for by the employee, are patentably distinct from a system wherein, if the customer purchases or re-leases the item at the expiration of the lease, paying an insurance premium on behalf of a customer for the term of an insurance policy, as recited in independent claim 2. Therefore, Applicants respectfully request withdrawal of this ground of rejection.

3. Claims 3-4

Independent claim 3 recites, *inter alia*, "receiving an insurance policy for the item, wherein at least a portion of the premium corresponding to the insurance policy is paid by a third party, in exchange for the purchase of the item." Applicants respectfully submit that the cited references do not teach or suggest a third party paying for at least a portion of a premium of an insurance policy in exchange the purchase of the item.

The Office Action concedes that "Joao does not explicitly disclose receiving an insurance policy for an item, wherein at least a portion of the premium corresponding to the insurance policy is paid by a third party." (See Office Action page 6, paragraph 3.)

As detailed above, the Ryan patent is directed to determining an optimum insurance premium structure necessary corresponding to an insurance policy's cash value to achieve an employee's financial security at retirement, while providing a sufficient level of insurance during employment. The employee's insurance premium is paid for in part by a loan secured against the policy and in part by the employee's own resources. The Ryan patent simply does not teach or suggest providing a portion of the insurance policy premium paid by a third party, in exchange for the purchase of the item.

In direct contrast, independent claim 3 recites, *inter alia*, "a portion of the premium corresponding to the insurance policy is paid by a third party, in exchange for the purchase of the item." Applicants submit that both Joao, who is silent in this regard and Ryan's system for calculating a premium for an employee's life insurance policy, paid for by both the employee and through a loan secured against the policy, are patentably distinct from a system wherein, a portion of the insurance policy premium is paid by a third party, in exchange for the purchase of the item, as recited in amended independent claim 3. Similarly, because claim 4 is dependent on amended independent claim 3, Applicants submit that the dependent claim 4 is also patentably distinct from the cited references. Therefore, Applicants respectfully request withdrawal of this ground of rejection.

4. New Claims 5-77

Applicants have further added claims 5-77, which specifically recite features not found in any of the cited references.

CONCLUSION

It is now believed that all pending claims are in condition for allowance. In view of the amendments and remarks, an early and favorable reconsideration is respectfully requested.

Respectfully submitted,

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By: _____

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